

SAN FRANCISCO COUNTY ECONOMIC FORECAST

San Francisco County – located on a peninsula between the San Francisco Bay and the Pacific Ocean – is one of the State's largest tourist destinations. San Francisco County has a population of 871,200 people and a total of 695,200 wage and salary jobs, making it a jobs center for a number of Bay Area counties. The per capita income in San Francisco County is \$109,563 and the average salary per worker is \$115,638.

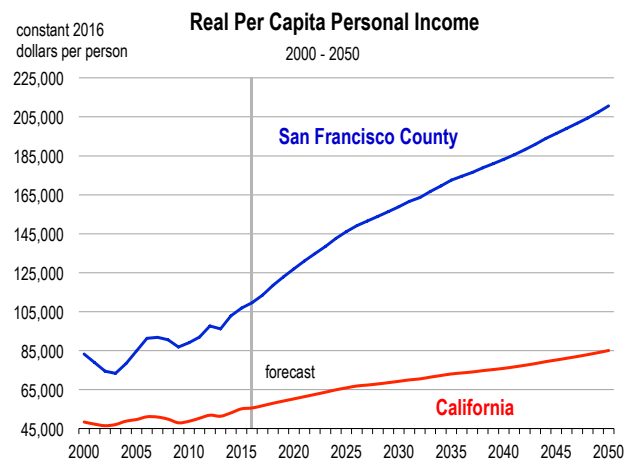
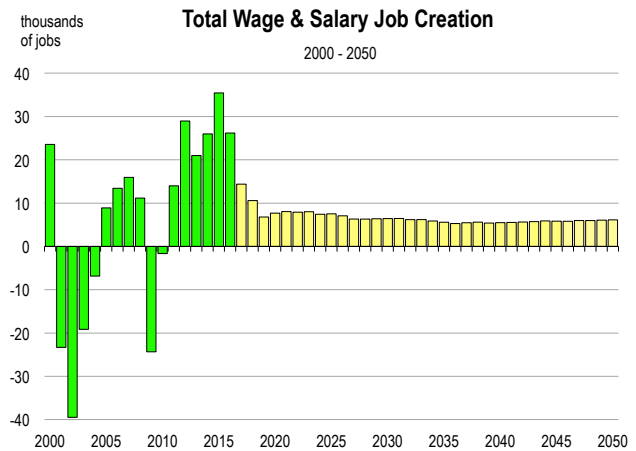
In 2016, employment in Northern California increased by 3.2 percent, whereas employment in the greater Bay Area grew by 3.3 percent. In San Francisco County, a total of 26,200 jobs were created, representing a growth rate of 3.9 percent. The unemployment rate improved during the year, falling from 3.6 percent in 2015 to 3.3 percent in 2016.

In 2016, the largest job gains occurred in professional services (+9,000 jobs), which accounted for almost 35 percent of net job growth in the county. Other sectors with large increases were information (+3,800 jobs), leisure and hospitality (+2,600 jobs), financial activities (+2,400 jobs), and government (+2,400 jobs). Losses were not observed in any major sector.

Between 2011 and 2016, the population of San Francisco County increased at a rate of 1.2 percent per year. Net migration accounted for two thirds of this increase, as people moved to the region for its booming job market and high wages.

FORECAST HIGHLIGHTS

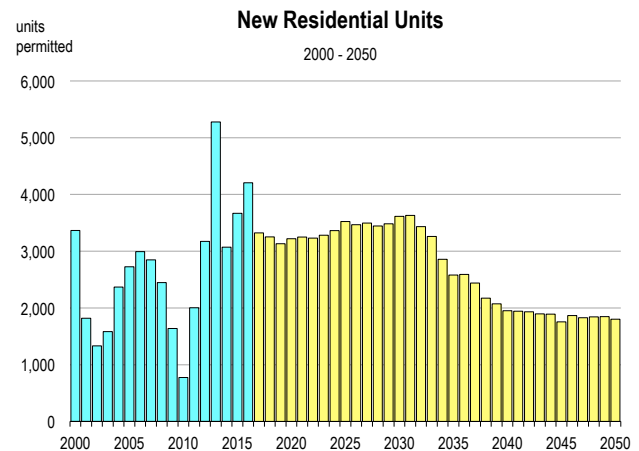
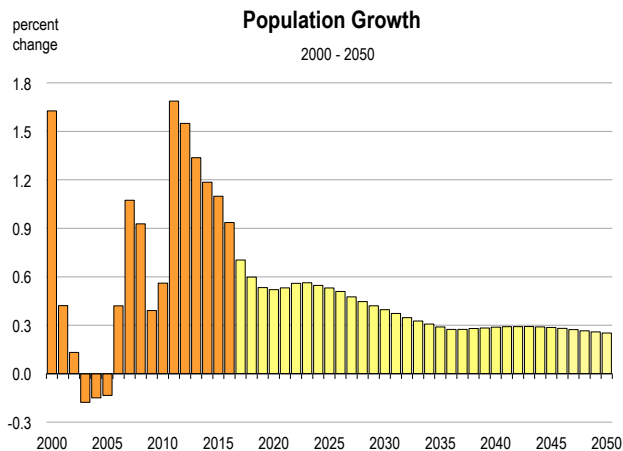
- Total employment will rise by 2.1 percent in 2017. From 2017 to 2022, the annual growth rate is expected to average 1.1 percent.
- Average salaries are currently well above the California state average, and will remain so over the foreseeable future. In San Francisco County, inflation-adjusted salaries are expected to rise by an average of 2.7 percent per year between 2017 and 2022.
- From 2017 to 2022, the principal engine of employment growth will be professional services, which will account for almost half of net job creation in the county. Strong growth will also be observed in leisure services, education and healthcare, and wholesale and retail trade, which will account for a combined 33 percent of net job creation.
- Population growth will be slow, averaging 0.5 percent per year between 2017 and 2022.
- In 2017, a total of 3,100 net migrants are expected to enter the county. Over the entire 2017-2022 period, net migration is expected to average 2,400 people per year.
- Between 2017 and 2022, an average of 3,200 new housing permits will be issued each year. Many of these units will be located at Hunters Point, near Lake Merced, and on Treasure Island. Each of these neighborhoods have large housing developments that will generate thousands of homes.
- Real per capita income is expected to increase at a rate of 3.6 percent in 2017. Between 2017 and 2022, real per capita income will increase at a rate of 3.5 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 2.0 percent per year between 2017 and 2022.
- Industrial production is expected to increase by 5.0 percent in 2017. From 2017 to 2022, industrial production is expected to fall by 2.0 percent per year.



San Francisco County Economic Forecast

2010-2016 History, 2017-2050 Forecast

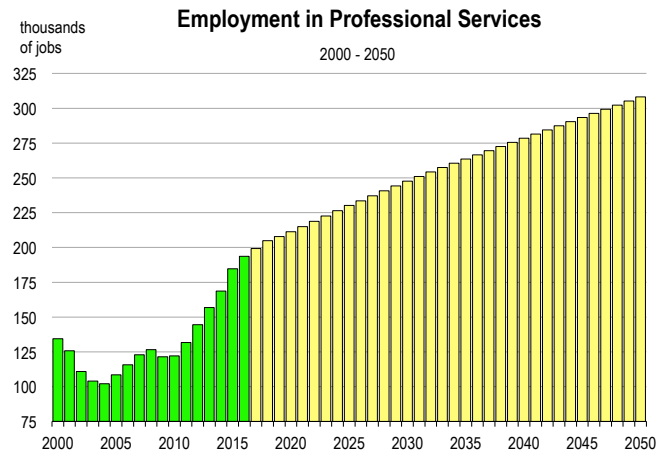
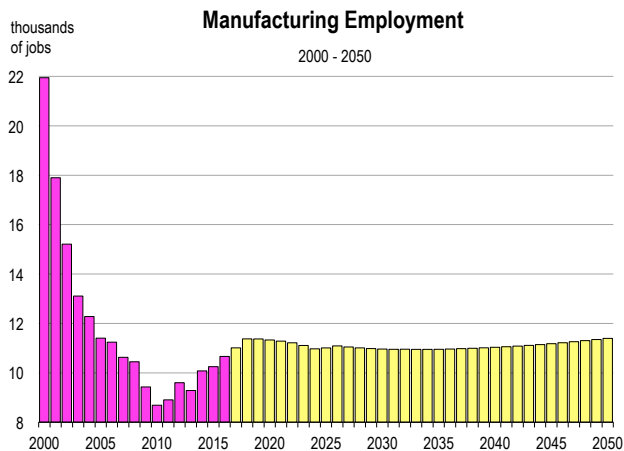
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	806,292	1,405	470	345.2	774	\$13.4	\$61.3	\$89,092	1.3	0.9	3.7	8.9
2011	819,897	10,435	466	346.3	2,002	\$14.9	\$66.1	\$91,965	2.7	1.1	3.6	8.1
2012	832,605	9,457	471	347.7	3,175	\$16.0	\$73.1	\$97,593	2.7	1.2	3.8	6.8
2013	843,735	7,784	485	350.4	5,277	\$17.1	\$74.7	\$96,193	2.3	1.9	3.9	5.5
2014	853,732	6,517	490	352.9	3,070	\$18.5	\$83.1	\$102,888	2.8	0.9	4.2	4.4
2015	863,108	5,903	494	356.6	3,670	\$18.9	\$89.5	\$106,848	2.6	0.3	4.3	3.6
2016	871,185	4,895	498	359.5	4,207	\$19.8	\$95.4	\$109,563	3.0	0.3	4.7	3.3
2017	877,317	3,113	503	361.3	3,323	\$20.7	\$102.6	\$113,464	3.1	0.3	4.9	3.5
2018	882,565	2,388	506	363.1	3,253	\$21.8	\$111.0	\$118,457	3.0	0.4	5.0	3.5
2019	887,270	2,012	509	365.0	3,132	\$22.8	\$118.7	\$122,794	2.6	0.4	5.1	3.8
2020	891,887	2,104	511	366.8	3,220	\$24.0	\$127.1	\$126,893	3.1	0.4	5.2	3.8
2021	896,626	2,411	514	368.6	3,250	\$25.2	\$135.9	\$131,012	3.0	0.4	5.3	3.8
2022	901,642	2,855	516	370.4	3,231	\$26.5	\$144.8	\$134,759	3.0	0.5	5.4	3.9
2023	906,719	3,077	518	372.3	3,282	\$27.7	\$154.1	\$138,495	3.0	0.5	5.5	3.8
2024	911,677	3,104	520	374.1	3,363	\$29.0	\$164.3	\$142,649	2.9	0.5	5.5	3.8
2025	916,516	3,102	522	376.0	3,523	\$30.3	\$174.0	\$146,043	2.9	0.5	5.6	3.6
2026	921,183	3,032	524	378.0	3,467	\$31.6	\$183.6	\$149,193	2.8	0.5	5.8	3.6
2027	925,566	2,881	526	380.0	3,496	\$32.9	\$192.8	\$151,488	2.9	0.5	5.8	3.5
2028	929,698	2,793	527	382.0	3,445	\$34.2	\$201.9	\$153,852	2.7	0.5	6.0	3.5
2029	933,606	2,757	529	383.9	3,483	\$35.4	\$211.2	\$156,321	2.5	0.5	6.1	3.5
2030	937,307	2,745	530	385.9	3,615	\$36.7	\$220.8	\$158,914	2.4	0.5	6.2	3.5
2031	940,804	2,742	532	388.0	3,631	\$37.9	\$230.5	\$161,560	2.3	0.5	6.3	3.5
2032	944,069	2,704	534	390.0	3,433	\$39.3	\$240.0	\$163,554	2.5	0.5	6.5	3.5
2033	947,150	2,683	535	392.0	3,260	\$40.6	\$250.6	\$166,685	2.1	0.5	6.6	3.5
2034	950,062	2,630	537	393.8	2,858	\$41.9	\$261.7	\$169,598	2.3	0.5	6.8	3.5
2035	952,812	2,561	538	395.5	2,580	\$43.4	\$273.4	\$172,492	2.4	0.5	6.9	3.5
2036	955,425	2,483	540	396.9	2,591	\$45.0	\$285.1	\$174,520	2.8	0.5	7.1	3.5
2037	958,048	2,465	541	398.4	2,439	\$46.7	\$297.4	\$176,473	2.9	0.5	7.3	3.5
2038	960,729	2,475	542	399.8	2,173	\$48.4	\$310.5	\$178,916	2.7	0.5	7.5	3.5
2039	963,448	2,453	544	401.0	2,073	\$50.2	\$324.2	\$181,014	2.9	0.5	7.6	3.5
2040	966,226	2,451	545	402.2	1,951	\$52.1	\$338.1	\$183,164	2.8	0.5	7.8	3.5
2041	969,039	2,457	547	403.3	1,943	\$53.9	\$352.6	\$185,615	2.6	0.5	8.0	3.5
2042	971,863	2,473	548	404.4	1,932	\$55.8	\$367.5	\$188,199	2.5	0.5	8.2	3.5
2043	974,701	2,494	550	405.5	1,896	\$57.7	\$382.9	\$190,892	2.4	0.5	8.4	3.5
2044	977,527	2,525	551	406.6	1,891	\$59.6	\$398.8	\$193,937	2.2	0.5	8.6	3.5
2045	980,328	2,534	552	407.6	1,755	\$61.6	\$415.0	\$196,476	2.4	0.5	8.9	3.5
2046	983,081	2,535	554	408.6	1,866	\$63.7	\$431.3	\$199,051	2.3	0.5	9.1	3.5
2047	985,765	2,556	555	409.7	1,828	\$65.7	\$448.4	\$201,696	2.3	0.5	9.3	3.5
2048	988,384	2,567	555	410.7	1,843	\$67.9	\$466.3	\$204,457	2.3	0.5	9.6	3.5
2049	990,942	2,585	556	411.8	1,847	\$70.1	\$485.4	\$207,440	2.3	0.5	9.8	3.5
2050	993,440	2,603	557	412.8	1,802	\$72.5	\$505.5	\$210,617	2.3	0.5	10.1	3.5

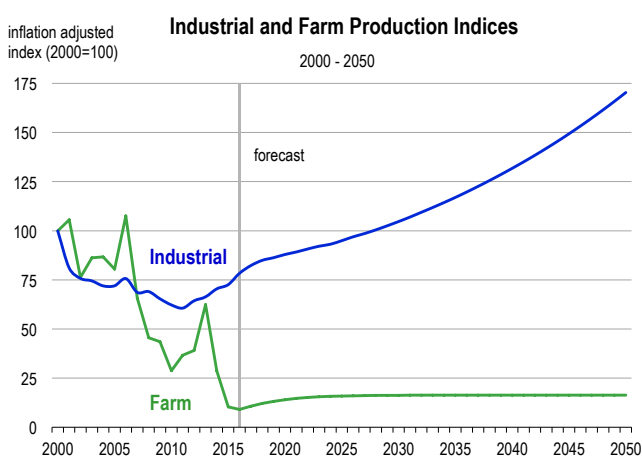
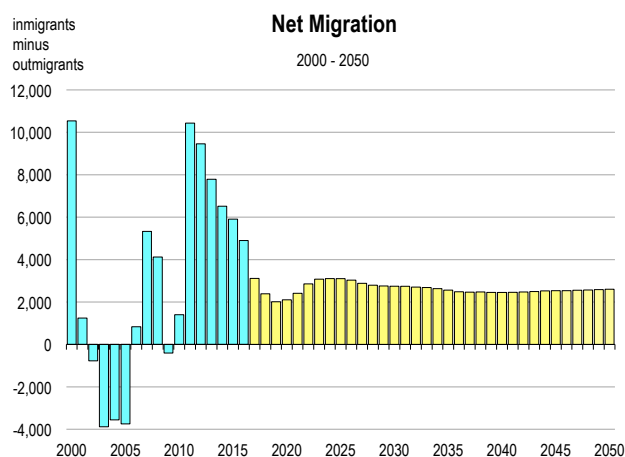
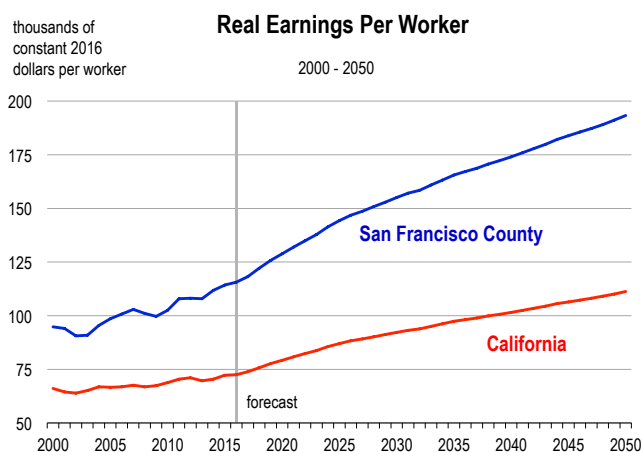
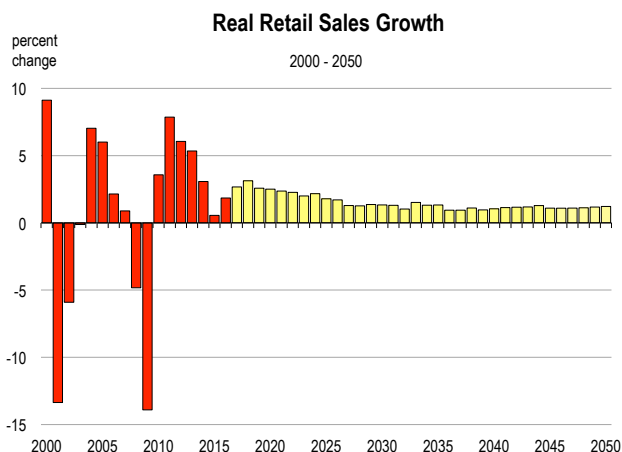


San Francisco County Employment Forecast

2010-2016 History, 2017-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	543.6	0.25	14.3	8.7	10.9	50.8	48.4	122.1	19.5	80.4	76.8	90.0
2011	557.6	0.18	13.9	8.9	10.8	51.6	47.0	131.7	22.7	79.6	79.5	89.8
2012	586.6	0.13	15.0	9.6	10.9	54.4	47.8	144.5	25.5	81.9	84.7	89.2
2013	607.6	0.14	15.9	9.3	11.6	57.0	49.3	156.8	25.7	82.8	86.2	88.4
2014	633.6	0.15	16.9	10.1	11.8	58.8	50.2	168.8	28.3	83.0	90.2	89.5
2015	669.0	0.18	18.5	10.3	12.3	62.6	52.0	184.6	31.7	85.7	93.3	91.6
2016	695.2	0.17	19.8	10.7	13.7	63.2	54.4	193.7	35.4	87.6	95.9	93.9
2017	709.5	0.16	20.2	11.0	13.9	64.2	54.4	199.2	37.1	89.1	98.1	94.7
2018	720.1	0.16	20.0	11.4	14.2	65.3	54.5	204.9	38.0	89.8	98.6	95.6
2019	726.9	0.16	20.0	11.4	14.3	66.2	54.3	207.8	38.6	90.5	99.7	96.0
2020	734.6	0.16	20.0	11.3	14.4	67.1	54.3	211.3	39.1	91.2	101.0	96.6
2021	742.6	0.16	20.1	11.3	14.5	67.9	54.3	215.0	39.6	91.9	102.3	97.4
2022	750.5	0.16	20.4	11.2	14.5	68.6	54.3	218.8	40.0	92.7	103.7	97.8
2023	758.5	0.17	20.7	11.1	14.4	69.2	54.5	222.6	40.4	93.5	105.0	98.4
2024	766.0	0.17	21.0	11.0	14.4	69.9	54.6	226.4	40.9	94.3	105.7	99.1
2025	773.5	0.17	21.2	11.0	14.4	70.5	54.8	230.2	41.4	95.2	106.0	99.9
2026	780.6	0.17	21.6	11.1	14.4	71.0	55.0	233.5	42.0	96.0	106.4	100.5
2027	786.9	0.17	21.8	11.0	14.4	71.4	55.1	237.1	42.4	96.8	106.6	101.0
2028	793.2	0.17	22.0	11.0	14.3	71.8	55.2	240.7	42.8	97.6	107.0	101.3
2029	799.6	0.17	22.2	11.0	14.3	72.2	55.3	244.2	43.2	98.4	107.6	101.6
2030	806.0	0.17	22.4	11.0	14.3	72.6	55.4	247.7	43.5	99.2	108.3	102.0
2031	812.5	0.17	22.6	11.0	14.3	73.0	55.5	251.0	43.9	100.1	109.1	102.3
2032	818.6	0.17	22.8	11.0	14.3	73.3	55.5	254.3	44.3	100.9	109.9	102.5
2033	824.8	0.17	22.8	10.9	14.3	73.8	55.6	257.5	44.6	101.7	110.7	102.9
2034	830.7	0.17	22.7	10.9	14.3	74.1	55.7	260.5	45.0	102.4	111.5	103.2
2035	836.3	0.17	22.4	11.0	14.3	74.5	55.7	263.5	45.3	103.2	112.4	103.5
2036	841.6	0.17	22.0	11.0	14.3	74.8	55.8	266.5	45.7	104.0	113.2	103.8
2037	847.0	0.17	21.7	11.0	14.3	75.1	55.9	269.5	46.0	104.7	114.0	104.0
2038	852.6	0.17	21.4	11.0	14.3	75.5	56.0	272.5	46.4	105.5	115.0	104.4
2039	858.0	0.17	20.9	11.0	14.3	75.8	56.0	275.5	46.8	106.2	115.8	104.7
2040	863.5	0.17	20.5	11.0	14.3	76.1	56.1	278.5	47.1	107.0	116.8	105.0
2041	869.1	0.17	20.1	11.1	14.3	76.4	56.2	281.5	47.5	107.7	117.7	105.2
2042	874.7	0.17	19.9	11.1	14.3	76.8	56.3	284.5	47.8	108.4	118.7	105.5
2043	880.4	0.17	19.6	11.1	14.4	77.1	56.3	287.4	48.2	109.1	119.7	105.8
2044	886.3	0.17	19.5	11.1	14.4	77.5	56.4	290.4	48.6	109.8	120.7	106.1
2045	892.1	0.17	19.3	11.2	14.4	77.9	56.5	293.4	48.9	110.5	121.7	106.5
2046	897.9	0.17	19.2	11.2	14.4	78.2	56.6	296.3	49.3	111.2	122.7	106.8
2047	903.9	0.17	19.1	11.3	14.5	78.6	56.7	299.3	49.6	111.9	123.8	107.1
2048	909.9	0.17	19.1	11.3	14.5	78.9	56.7	302.3	50.0	112.6	124.8	107.4
2049	916.0	0.17	19.0	11.3	14.5	79.3	56.8	305.2	50.3	113.3	125.9	107.7
2050	922.1	0.17	19.0	11.4	14.6	79.6	56.9	308.2	50.7	114.0	127.0	108.0





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	13.5%
Expected job growth:	5.8%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	22.1%

Expected population growth:	2.8%
Net migration to account for:	48.4%
Expected growth in number of vehicles:	2.6%

Demographics (2017)

Unemployment rate (April 2017):	2.7%
County rank* in California (58 counties):	2nd
Working age (16-64) population:	71.9%

Population with B.A. or higher:	53.5%
Median home selling price (2016):	\$1,150,000
Median household income:	\$88,829

Quality of Life

Violent crime rate (2015):	777 per 100,000 persons
County rank* in California (58 counties):	56th
Average commute time to work (2017):	35.0 minutes

High School drop out rate (2016):	9.8%
Households at/below poverty line (2017):	7.5%

* The county ranked 1st corresponds to the lowest rate in California